



The GPT Group

Sustainability Report — May 2020

*delivering today*



*creating tomorrow*

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# message from the CEO

GPT recognises the important role environment, social and governance ("ESG") issues play in our ability to create value over the long term. This Sustainability Report emphasises our focus on ESG, and reflects our commitment to ensuring GPT is a resilient and sustainable business.

The Group takes a broad view of value creation because we know that our ability to deliver consistent returns is linked to the health and sustainability of the communities and environments in which we operate. This idea of 'shared value' acknowledges that economic, social and environmental performance are interrelated. At GPT we aspire to deliver superior shareholder returns while making a positive contribution to our people, our communities and the environment.

This report describes our approach to ESG and highlights some of our key achievements during 2019, including the progress we are making towards achieving our carbon neutral targets. Transitioning to a portfolio that has lower carbon intensity will deliver greater energy price certainty and create greater value for our stakeholders. Our commitment to identifying and managing climate change risks has also been demonstrated by the release of our first

Climate Disclosure Statement, prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

An engaged, aligned workforce is vital for us to fulfil our purpose and we are proud of our high employee engagement scores. We continue to evolve and embed Diversity and Inclusion in our workplace practices, understanding this enables greater creativity and innovation, and we were pleased to again be recognised as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency in 2019.

Safety is an ongoing priority for our business. In 2019 we launched a new safety value - 'Safety First - Everyone, Always' - as part of our core values. We reviewed our Safety Management System and we commenced work on our Strategic Safety Roadmap. At a societal level we have been working on the first stages of our response to the Modern Slavery Act 2018, and we are proud of our achievements against our Stretch Reconciliation Action Plan, including our 10 year partnership with CareerTrackers, to provide internship opportunities to First Nations university students.

I am also very proud of the work of our GPT Foundation as we support and partner with organisations that work with at-risk youth, and it is clear that employees are behind this with more than 80 percent of our people actively involved with the Foundation's initiatives in 2019. GPT also provided support to those affected by the devastating bushfires, with more than \$250,000 donated to organisations supporting the crisis.

We understand our role includes looking after the environment to meet the needs of current and future generations, and ensuring our assets and operations contribute to a positive future for all our stakeholders. We remain focused on the quality of our relationships with our stakeholders who include our investors, people, tenants, customers, and communities, and we continue to be committed to ensuring our engagement is collaborative and considered.

Today, we are confronting a very different operating environment brought on by the COVID-19 pandemic. GPT acted quickly to support our stakeholders and ensure the health, safety and well-being of our people, tenants, customers, and communities in uncertain times. We remain committed to supporting them as we emerge from these events together, and to continuing to create shared value for all stakeholders.

“

*GPT takes a long-term, holistic perspective for our assets and aspires to be an overall positive contributor to our communities, people and the environment.*”



**Bob Johnston**  
Chief Executive Officer  
and Managing Director

**GRESB**  
**Green Star**  
recognition every  
year since 2011



01



# The GPT Group

## business overview

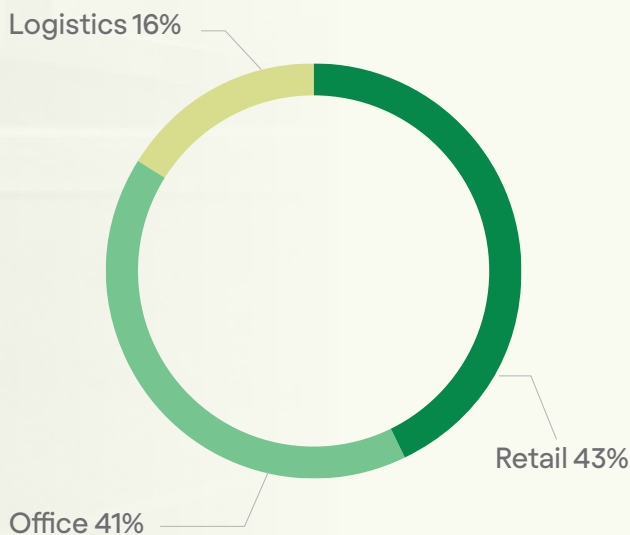
As a developer, owner, and manager of assets in many locations across Australia, we acknowledge the Traditional Custodians of the lands on which our business, and our assets, operate.

Listed on the Australian Securities Exchange (ASX) since 1971, GPT is today one of Australia's largest diversified listed property groups, and a top 50 ASX listed organisation by market capitalisation<sup>1</sup>. The Group has a substantial investor base with more than 31,000 securityholders.

GPT owns and manages a \$25.3 billion portfolio of high quality properties in the retail, office and logistics sectors across Australia<sup>1</sup>. The portfolio includes some of the most iconic buildings in Australia and award winning developments.

During 2019, excellent progress was made in executing on our strategy through delivering strong portfolio performance, increasing our investment in the logistics sector and growing our development pipeline. Sydney and Melbourne are our preferred investment markets given their scale and economic diversity. Both cities continue to benefit from population growth, densification, infrastructure spend and investment demand.

### GPT Portfolio Diversity – As at 31 December 2019



1. As at 31 December 2019

### Our Strategic Focus

- » Drive strong performance from our high quality asset portfolio.
- » Grow our Office and Logistics portfolio.
- » Retain a high weighting to NSW and VIC markets.
- » Create value from our development pipeline which has an expected end value of approximately \$5 billion.

#### Retail portfolio

- » 12 Shopping centres
- » 960,000 sqm GLA
- » 3,200 + tenants
- » \$9.8b AUM



Highpoint Shopping Centre, Victoria

#### Office portfolio

- » 24 assets
- » 1,080,000 sqm NLA
- » 470 + tenants
- » \$13.1b AUM



580 George Street, Sydney

#### Logistics portfolio

- » 35 assets
- » 1,010,000 sqm GLA
- » 80 + tenants
- » \$2.4b AUM



TNT Erskine Park, Sydney

As at 31 December 2019

# 02





Ranked in the

**99<sup>th</sup>**  
percentile

of real estate companies  
listed in the Dow Jones  
Sustainability Index

# our approach to ESG

Our world is changing at an unprecedented rate, affecting how we live and work. GPT actively considers and addresses environment, social and governance (ESG) risks and opportunities in our business practices. Our ESG work is centred around making a positive impact for our stakeholders, whether it be reducing our carbon emissions across the business or fostering a diverse and inclusive workforce for our people.

As we fulfil our purpose to provide environments in which our people excel and our customers and communities prosper, sustainability practices underline our day-to-day operations and are integrated into our organisational culture, stakeholder engagement, governance and processes.

## Our company values:



**SAFETY FIRST –  
EVERYONE, ALWAYS**



**SPEAK UP**



**VALUE DIFFERENCES,  
PLAY AS A TEAM**



**DELIVER TODAY,  
CREATE TOMORROW**



**RAISE THE BAR**

Effective engagement and robust governance practices are central to how we do business. We have formalised policies, procedures and systems for identifying and managing environmental and social sustainability risks and opportunities. These systems are integrated across our business and aligned to the relevant external standards. For example, reporting on material disclosures is aligned with the Global Reporting Initiative Standards, we maintain an ISO14001 certifiable Environmental Management System integrated across our asset operations, and our climate-related risks and potential financial impacts are assessed in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures within our business-wide Risk Management Framework.

GPT responds to a number of major ESG benchmarks each year in order to enable our stakeholders to assess our progress. The two primary benchmarks we report to are the Dow Jones Sustainability Index (DJSI) for The GPT Group, and the Global Real Estate Sustainability Benchmark (GRESB) for The GPT Group and both of our wholesale property funds. The Group was again included in the Dow Jones Sustainability Index (DJSI) in 2019 and rated in the 99th percentile of real estate companies globally in the SAM Corporate Sustainability Assessment used for the DJSI listing. In addition, in 2019:

- » GPT is included in the STOXX Global ESG Leaders indices.
- » GWOF again achieved 5 Star Green Star status in the top quintile of the 2019 Global Real Estate Sustainability Benchmark GRESB results.
- » GWSCF achieved a Green Star rating of 5 Stars in the Global Real Estate Sustainability Benchmark (GRESB).

We have embedded ESG principles into our business practices and provide an annual statement to the UN Global Compact on our activities. We are also aligning our strategies and actions to the United Nations Sustainable Development Goals, working collaboratively with our stakeholders to support initiatives that advance the Goals.

## What is ESG?



First coined by the UN Global Compact in the early 2000s, ESG stands for environment, social, and governance and refers to indicators used by many investors, customers and communities to better understand a company's approach to value creation, risk management and sustainable development. ESG refers to how a business:

- » sets goals and delivers initiatives for long-term economic, environmental and social improvements;
- » operates with governance and risk management controls that ensure progress toward its goals; and
- » reports and discloses its progress transparently.

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See the expectations and perspectives of our various stakeholders across this report in these callout boxes throughout this report.

# Materiality

## and stakeholder engagement

Guided by the Global Reporting Initiative's Sustainability Reporting Standards, GPT identifies the relevant and material economic, environmental and social topics that are sufficiently important to track and report performance against to ensure continued long-term success. Our material issues are those that have the highest likelihood and/or consequence of impacting our business and our ability to create value for our stakeholders over the long-term, whether by directly impacting our assets or the communities in which we operate.

### Identifying what matters

We continuously engage with our stakeholders and use these views, together with research and evidence, to maintain a register of the material risks and opportunities that influence our ability to deliver on our vision and purpose. Our Leadership Team and Board review and annually disclose these key risks. Key Performance Indicators that address material issues are included in the objectives of our CEO, Leadership Team and other relevant executives, and are directly linked to financial outcomes as part of their performance.



Sustainability leadership is an essential part of doing business in the Australian property industry, as the region has led key sustainability benchmarks for over a decade.

### Step 1

#### Identify and analyse insights and issues

We analyse insights and issues from a range of internal and external sources, as guided by the GRI Sustainability Reporting Standards. Sources for this identification and analysis include:

- » Investor and analyst feedback
- » Media focus and questions
- » Employee engagement
- » Tenant engagement and shopper surveys
- » Targeted community engagement
- » Participation in external events and forums
- » Industry memberships
- » Global and data-driven business trends

### Step 2

#### Evaluate and prioritise risk and trends

Risk workshops are held across our business at least annually with internal stakeholders and subject matter experts. We identify and categorise issues into a list of key risks and trends specific to business units and strategy delivery. These are considered against the broader issues and insights from step 1, with the most material of those risks included in the GPT Key Risks Dashboards.

### Step 3

#### Review and disclose key material risks

The GPT Key Risks Dashboard is continuously reviewed by the GPT Leadership Team and formally reviewed by the Board at least annually. The Dashboard is incorporated into Group Strategy development and review. KPI's for material issues are included in the objectives of the CEO and Leadership Team and other relevant executives, and are directly linked to financial outcomes.

# Materiality and stakeholder engagement (continued)

## Our Material Issues



Managing portfolio, operating and financial performance



Developing high quality assets that meet our sustainability objectives



Managing capital to withstand market volatility



Supporting the health, safety and wellbeing of our people, customers, contractors and all users of our assets



Attracting, engaging and retaining a motivated and high-performing workforce and maintaining an inclusive culture



Minimising our impact on the environment



Delivering sustainable outcomes for the community today, and for future generations



Responding to cyber security threats and breaches to ensure ongoing business continuity and the safety of our people and assets



Managing regulatory and policy changes impacting our business



GPT's use of materials and the impact on natural capital and biodiversity, including the ability to report on material consumption and procurement, is a rising topic of focus as more businesses deliver carbon neutral operations.



Our shopping centre customers and office occupants provide consistent feedback that our focus and disclosure on social and environmental sustainability initiatives has inspired and supported customers to implement similar actions in their own lives.




Commonwealth and State governments require landlords to maintain energy efficient buildings, as measured by NABERS, as part of lease obligations.



## How do we translate our material issues into action? Here are three examples.

	1. Developing assets for the long term	2. Continuously improving environmental performance	3. Identifying and managing emergent risks
<b>GPT Objectives</b>	GPT developments are delivered to Green Star, NABERS or equivalent sustainability standards, as relevant to the project and portfolio.	GPT sets long-term environmental goals for energy use and climate change impact, water use, waste recycling and biodiversity impact, including our target of carbon neutral buildings by 2030.	GPT's risk management framework enables us to be resilient to emerging risks such as climate change.
<b>Material Issues Addressed</b>	<ul style="list-style-type: none"> <li>» Developing high quality assets that meet our sustainability objectives.</li> <li>» Delivering sustainable outcomes for the community today, and for future generations.</li> </ul>	<ul style="list-style-type: none"> <li>» Minimising our impact on the environment.</li> <li>» Managing portfolio, operating and financial performance.</li> <li>» Delivering sustainable outcomes for the community today, and for future generations.</li> </ul>	<ul style="list-style-type: none"> <li>» Managing portfolio, operating and financial performance.</li> <li>» Managing regulatory and policy changes impacting our business.</li> </ul>
<b>Why we focus on this</b>	By developing high-quality assets with a focus on efficient operations, inclusive design, and strategic placemaking and programming, GPT delivers on environmental, economic and social objectives of its communities. This focus on sustainability increases the value of our assets, which brings benefits to both GPT and the communities we operate in.	Utility and facilities management costs are examples of GPT's operational costs. GPT works with its suppliers to review and manage these costs, and simultaneously reduce or eliminate our environmental impact. In 2019, GPT has achieved a 45% improvement in energy intensity since 2005, saving nearly \$30million in avoided energy costs and making our assets more attractive to lease.	Climate change influences the operation of our business and assets, directly impacting our operations and development activity. For example, climate change impacts include changes to energy markets or pricing, shifting land planning codes, or hazards on our operations like drought or bushfires which may become more frequent or impactful in the future.
<b>How we deliver</b>	We integrate tailored ESG strategies into the business case for new developments. These measures include objectives such as community engagement, strategic placemaking, high quality design specification, transit-oriented development planning, and third party sustainability certification (eg. Green Star or NABERS).	We maintain an ISO14001 certifiable Environmental Management System to deliver on our environmental targets. The EMS is a holistic integration of policies, procedures, performance management and plans delivered across the business and implemented by our people.	Using the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to guide our activities and disclosure, we have developed a detailed approach including metrics and targets to address the potential risks and opportunities posed by climate change.
<b>Our Progress</b>	<p>Key highlights for 2019:</p> <ul style="list-style-type: none"> <li>» Designing the expansion of Rouse Hill Town Centre to provide a mix of residential, retail, lifestyle and community precincts in a transit-oriented development;</li> <li>» Designing a new entertainment and dining precinct, elevated green space, climate adaptation plan and a 6 Star Green Star office building for Melbourne Central;</li> <li>» Logistics assets are preparing for the installation of on-site solar generation; and</li> <li>» 6 Star Green Star/5 Star NABERS Energy ratings are targeted for GPT's office development at 32 Smith Street, Parramatta.</li> </ul>	<p>In 2019 we certified our first two carbon neutral buildings and also formalised our Energy Master Plan which outlines:</p> <ul style="list-style-type: none"> <li>» Energy efficiency optimisation approaches and programs;</li> <li>» Renewable energy strategies;</li> <li>» Planning for the elimination of gas use and fossil fuels in our buildings;</li> <li>» Partnerships to deliver innovative solutions.</li> </ul>	<p>In response:</p> <ul style="list-style-type: none"> <li>» We established a cross-functional reference group in 2019 to identify risks and opportunities under three different climate change related scenarios and to formulate GPT's climate change response plans;</li> <li>» We annually disclose our direct climate change impacts against metrics and targets;</li> <li>» We perform regular detailed climate risk and opportunity analysis, which is used to update our risk registers and informs business planning, strategy and operations;</li> <li>» We are developing asset-level climate adaptation plans, where appropriate.</li> </ul>
<b>Further Information</b>	The GPT Annual Result Presentation notes development-specific sustainability objectives (various) <a href="#">View</a> . The CEO Objectives and Performance Outcomes in the Annual Report (p21) <a href="#">View</a> .	The GPT Annual Result Presentation notes sustainability performance (various). The CEO Objectives and Performance Outcomes in the Annual Report (p21) <a href="#">View</a> .	The GPT Climate Change Disclosure has been released <a href="#">View</a> . The CEO Objectives and Performance Outcomes in the Annual Report (p21) <a href="#">View</a> .

## 04



"GPT's corporate governance framework provides a mechanism by which we are held to account. It promotes a culture of acting lawfully, ethically and responsibly, and it facilitates the oversight of both financial and non-financial risk."

**Jacqui O'Dea**

Chief Risk Officer, The GPT Group

# Governance

GPT regards good corporate governance as a fundamental component of our commitment to our shareholders, customers, people and the communities in which we operate. We aim to be a sustainable business that delivers long-term shareholder value and we know that responsible corporate behaviour has a positive influence on long-term financial performance. The Board, our Leadership Team and our employees recognise that GPT's vision to be the most respected property company in Australia in the eyes of our investors, people, customers and communities can only be achieved if we operate with the highest standards of integrity and professionalism and by conducting business in compliance with all legal and regulatory requirements. Good corporate governance also allows a clear strategic direction to be set that supports long-term performance and resilience.

## Board leadership and purpose

GPT's Board strives to ensure that GPT meets high standards of governance across all aspects of its operations. The Board regularly reviews and considers GPT's policies and processes to ensure they are appropriate and meet governance standards and regulatory requirements.

GPT complies with the 3rd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations which are based on the following eight principles:

- » Lay solid foundations for management and oversight;
- » Act ethically and responsibly;
- » Make timely and balanced disclosure;
- » Recognise and manage risk;
- » Structure the board to add value;
- » Safeguard integrity in corporate reporting;
- » Respect the rights of Security Holders;
- » Remunerate fairly and responsibly.

A copy of GPT's Corporate Governance Statement for the year ended 31 December 2019 can be found in the Corporate Governance section of the [GPT website](#). GPT will report against the 4th edition of the ASX Corporate Governance Principles for the year ending 31 December 2020.

## Division of responsibilities

The Board has established a number of committees to assist it in carrying out its responsibilities. These are the:

- » Human Resources and Remuneration Committee;
- » Nomination Committee;
- » Audit Committee;
- » Sustainability and Risk Committee.

The Board and each Committee has a formal Charter setting out its responsibilities and functions which is reviewed annually. The Chairman of the Board and of each Committee is an independent Non-Executive Director with the appropriate qualifications and experience to carry out that role, and the membership of the Committees has been structured so that there is a good flow of information between each Committee and the Board.

Copies of the GPT Board and Committee Charters, together with GPT's key policies are available in the Corporate Governance section of the [GPT website](#).

# Governance (continued)



## ESG governance and management

GPT's corporate governance enhances the delivery of outcomes led by the Board Sustainability and Risk Committee and the Leadership Team.

The responsibilities of the Sustainability and Risk Committee (SRC) include:

- » Overseeing the risk management, compliance and internal control frameworks of GPT;
- » Reviewing GPT's systems for compliance with relevant laws, regulations, industry standards and codes;
- » Monitoring GPT's sustainability policies and initiatives; and
- » Overseeing and reviewing the effectiveness of GPT's health and safety framework.

The members of the Sustainability and Risk Committee are all independent Non-Executive Directors.



Mandatory disclosure of office buildings' energy efficiency, carbon emissions and energy generation, and modern slavery provides a baseline for meeting community expectations.

## Addressing sustainability through effective risk management

GPT's CEO is accountable for ensuring that the Group is identifying, assessing and managing environmental and social risks and opportunities. The Chief Risk Officer (CRO) manages GPT's Sustainability Team, which has responsibility for the establishment and maintenance of an environment and sustainability management system, including policies and procedures for managing environmental and social sustainability risks.

To enable all employees to be managers of environmental risks and opportunities, GPT maintains an ISO14001-certifiable Environmental Management System (EMS) that covers addressing material environmental impacts from the operation of our portfolio, such as emissions to air, releases to water and use of materials or generation of waste. Our long-term environmental sustainability policies are written to address these impacts, and we have detailed environmental plans with medium-term goals and strategies for improving our management systems, driving innovation and change, and communicating our progress. Our EMS is structured to positively assure and continuously improve the environmental performance of our assets as part of our core business activities and in line with our detailed strategic plan.

GPT's social sustainability approach enables us to respond to, and engage with, our stakeholders on multiple levels. We have identified key areas of focus where we believe we can make the most positive impact, for the benefit of our employees and the broader community, within a framework that also encourages our assets to respond to local community risks and opportunities.



The Property Council of Australia has been progressing strategic social initiatives such as improving gender equality, and addressing modern slavery, with resources, events and programs for the entire industry.



Of our top ten Office portfolio tenants in 2019, a majority maintain or are targeting carbon neutrality in their own operations.

## 05



Investors frequently ask how we are managing and disclosing the long-term risks associated with transitioning to a low carbon economy

# climate change risks and disclosure



Inaugural Climate Disclosure Statement published, aligned with the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD)

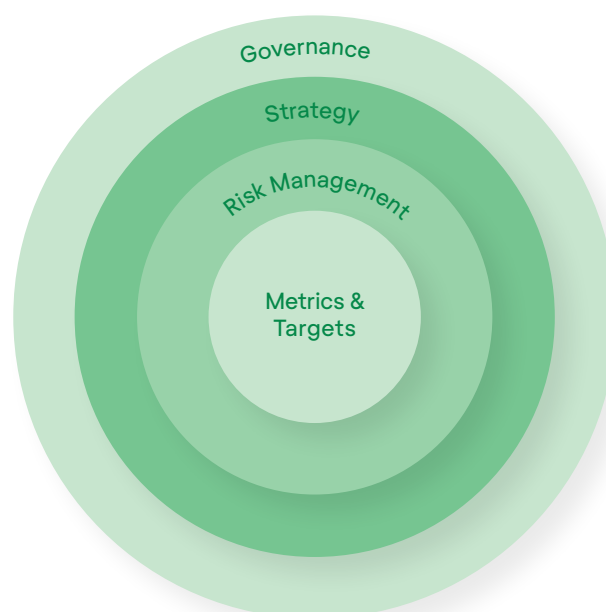
In managing our portfolio, GPT monitors and assesses physical and transitional risks arising from the impact of climate change. These risks are considered in GPT's investment and portfolio management decisions, as well as decisions to upgrade buildings in anticipation of a low carbon future. GPT discloses emissions data and climate strategy on our [website](#).

## Climate Disclosure Statement

Climate change is a global challenge and its consequences are already starting to manifest, with the world seeing an increase in the frequency and intensity of extreme weather events. GPT recognises that changes to the environment can influence the operation of our business and our assets, and we are committed to identifying and managing the foreseeable climate-related risks and opportunities likely to impact on our business and the property sector.

In February 2020, we released our inaugural Climate Disclosure Statement, providing further information about the steps we have been taking to identify, assess and manage climate change risks. It has been prepared with reference to the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD), which provides a framework for more effective climate change financial disclosures, addressing four key areas: governance, strategy, risk management and metrics and targets.

In preparing this report, a cross-functional reference group was established to identify foreseeable risks and opportunities under three different climate change related scenarios and to formulate GPT's ongoing climate change response plans.



# Climate change risks and disclosure (continued)

	Where we are today	Next steps
<b>Governance</b>	<p>The GPT Board provides oversight of the application and management of GPT's Risk Management Framework, within which climate change risks and potential financial impacts are assessed.</p> <p>The Board's Sustainability and Risk Committee has responsibility for monitoring of climate change risks and opportunities in accordance with GPT's Risk Management Framework, and tracking compliance with GPT's Climate Change and Energy Policy.</p> <p>A Reference Group has been established to identify risks and opportunities and to assist management with embedding ongoing climate change risk identification and management processes.</p>	<p>Progress the integration of climate change risks and opportunities into GPT's business planning and operations.</p> <p>Additional disclosure of how climate change risks and opportunities are factored into GPT's activities.</p>
<b>Strategy</b>	<p>Target for all GPT Group assets to be carbon neutral by 2030, with a key milestone of all GPT Wholesale Office Fund (GWOFF) assets to be carbon neutral by the end of 2020.</p>	<p>Deliver on plans for each sector portfolio to achieve carbon neutrality.</p> <p>Develop asset-level climate adaption plans where appropriate.</p> <p>Undertake further detailed analysis of climate scenarios and incorporate results into the Group's 5-year strategic plans.</p> <p>Ensure all development approvals consider embodied carbon.</p>
<b>Risk Management</b>	<p>Preliminary identification of key risks under three climate scenarios.</p> <p>Assessment of climate change risks and potential financial impacts within GPT's Risk Management Framework, and reflected in GPT's Risk Appetite Statement.</p>	<p>Undertake ongoing analysis of the climate risks and opportunities, the results of which will be used to update GPT's risk registers and inform future management activities.</p> <p>Enhance GPT's approach to climate resilience through embedding climate change risk factors into business procedures including emergency management, health and safety, and development briefs.</p>
<b>Metrics &amp; Targets</b>	<p>Established a series of climate change and energy targets and performance indicators.</p> <p>Monitoring of GPT's direct climate change impacts, and annually reporting on our emissions, energy, water and waste on a property by property basis.</p>	<p>Adopt relevant metrics to monitor and measure progress on managing climate change risks and opportunities.</p> <p>Establish embodied carbon metrics and targets for developments.</p>

### Industry partnerships

GPT is also continuing to take an active leadership role in transitioning to a low carbon future by participating in climate change public policy development through the Property Council of Australia, the Green Building Council of Australia, the City of Sydney Better Building Partnership, and demonstration projects partnering with the Australian Renewable Energy Agency. We believe that the development of a shared response is important for the property industry as many climate change risks are shared and resilience is best created at a regional level.

GPT's detailed Climate Disclosure Statement is available on our [website](#).

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The Green Building Council of Australia and World Green Building Council advocate for the property sector to better address embodied carbon and have updated their rating tools to recognise industry leadership.

# Environment

## 2019 Environmental Performance Highlights<sup>1</sup>

- ✓ Saved \$35 million in 2019 utility costs, compared to 2005 baseline intensities
- ✓ Recycled 31% of materials in a closed loop manner
- ✓ Delivered the first 2 carbon neutral building certifications as part of GWOFF's target to be carbon neutral by the end of 2020

We know that we rely on natural resources to create and deliver value in line with our business strategy. Therefore the resilience of environmental resources and processes are fundamental to our ability to deliver superior returns now and into the future. We share in the responsibility to continually reduce the environmental impact of our business activities, and progress to a point where resources are sustainably used and emissions are at or below levels that can be reabsorbed in the environment without harm. Beyond acting on impacts within our direct control, we work with our supply chains and seek to encourage our tenants and others in the community to respond to climate change, reduce waste, manage water sustainably, and protect and enhance biodiversity.

Environmental sustainability is integrated into the management of GPT portfolio operation and development projects. Working with our operational management teams and development managers, in addition to other key partners and stakeholders, we set objectives, create plans and review performance. GPT has implemented a systematic approach to environmental management in alignment with ISO14001. This ensures that we deliver continuous improvement against the environmental aspects material to our business. We are guided by science and a first principles approach, and use data and measurement to drive environmental improvement to meet our goal of being an overall positive contributor to the planet.



Our corporate operations have been certified carbon neutral since

**2011**



GPT Wholesale Office Fund to be carbon neutral by end

**2020**



All GPT assets to be carbon neutral by

**2030**

### Delivered intensity improvements on our 2005 baseline



**↓60%**  
emissions



**↓45%**  
energy




**↓46%**  
water



Over 90% of GPT employees believe it is very important or essential for us to reduce our overall environmental impact in our asset operations and development, and that GPT staff should all be trained to support this work.

1. Compared to 2005 baseline operating intensities.

07



"The Australian property sector has been a world leader in reducing carbon emissions, and GPT is proud to be a part of this coordinated industry-wide effort. GPT believes reducing emissions through the more efficient use of energy also makes good business sense as it will reduce the cost of operating our buildings."

**Bob Johnston,**  
Chief Executive, The GPT Group

# Energy

- ✓ Workplace 6, Sydney and 8 Exhibition Street, Melbourne became the first two office buildings in Australia to achieve carbon neutral certification by NABERS and Climate Active, in alignment with GHG Protocols
- ✓ Over \$210 million in energy costs and 1.5 million tonnes of CO<sub>2</sub>-e cumulatively avoided since 2005, compared to business as usual
- ✓ 3.04 MW of solar PV installed across the portfolio by end of 2019
- ✓ GWOF's Weighted Average NABERS Energy Rating (with GreenPower) is 5.8 stars, with 14 buildings rated at least 5.0 stars NABERS Energy (without GreenPower) at 31 December 2019

At GPT we want to play our part in the global energy transition, taking a leadership role in the transition to a low-carbon economy. Our commitment to reducing energy consumption and greenhouse gas emissions from our buildings is primarily guided by the scientific imperative of avoiding dangerous climate change by limiting global warming to below 2 degrees Celsius. We consider actions to eliminate emissions as the most important contribution we can make to climate change mitigation.

In 2018 we launched GPT's Energy Master Plan, taking a holistic approach to energy management that reflects our belief that we can create value through our climate change and energy strategy. Our Energy Master Plan is a roadmap to support the achievement of our carbon neutral targets in a manner that also mitigates risk by reducing total energy costs and price volatility, accessing innovative technology to contribute to reliability of supply, engaging partners, and strengthening our energy market knowledge and procurement capabilities. Focusing our efforts on operating our assets efficiently will enable us to minimise the impact of rising energy prices on our tenants and investors, help generate revenue, as well as meet and exceed regulatory and tenant expectations.

Lettable Area	2005 1,750,910	2018 2,075,473	2019 2,026,294	m2
<b>Energy</b>	<b>45% energy intensity improvement from 2005</b>			
Energy Intensity	570.88	328.56	313.98	MJ/m2
Total Energy	999,560	681,908	636,211	GJ
Renewable energy	—	165,847	171,489	GJ
Onsite (solar pv)	—	7,524	12,025	GJ
Offsite Mandatory	—	88,085	94,244	GJ
Offsite Voluntary	—	70,237	65,220	GJ
Non-renewable energy	853,324	516,061	464,722	GJ
Onsite electricity (gas-fired generation)	—	9,034	9,116	GJ
Offsite electricity	853,324	390,155	347,226	GJ
Natural gas	146,236	114,811	105,072	GJ
Diesel	—	2,062	3,308	GJ
<b>Emissions</b>	<b>60% emissions intensity improvement since 2005</b>			
Emissions Intensity	136.36	58.46	54.15	kg CO <sub>2</sub> -e/m2
Total Emissions	238,750	121,339	109,726	t CO <sub>2</sub> -e
Scope 1 emissions	7,578	9,590	9,732	t CO <sub>2</sub> -e
Natural gas	7,578	7,143	6,728	t CO <sub>2</sub> -e
Diesel	—	145	232	t CO <sub>2</sub> -e
Fugitives and other	—	2,303	2,772	t CO <sub>2</sub> -e
Scope 2 emissions (electricity)	231,172	117,204	106,061	t CO <sub>2</sub> -e
Carbon offsets	—	-5,454	-6,067	t CO <sub>2</sub> -e

For a detailed breakdown by fund and asset, as well as important notes about our environmental performance, see the [GPT Environment Data Pack](#).

# Energy (continued)

## GPT's emissions reduction strategy



Avoid emissions by improving efficiency and initiatives like electrification



Install on-site solar and procure off-site renewable electricity



Manage our energy demand, making storage and dispatchable energy solutions possible



Invest in carbon offset projects when eliminating emissions isn't possible

## GPT's approach to carbon offsets

GPT employs a two-fold approach to offsetting each tonne of residual carbon emissions in areas within our control:

1. We purchase an offset for every tonne of carbon saved from switching an energy generation source to renewables, where the switch would not have otherwise occurred.
2. We invest in Australian reforestation projects that sequester carbon and have co-benefits of enhancing biodiversity and water flows.

## Our ARENA partnership delivering Solpod

GPT is participating in an Australian Renewable Energy Agency (ARENA) pilot program, installing Solpod technology, a prefabricated mobile rooftop solar system. At the end of 2019 we had completed installation of six Solpod systems across the retail and logistics portfolios, with more on the way for office, logistics and retail.

"The low cost installation and ability to shift Solpods across our property assets in the event of roof works or redevelopment has been a decisive factor in GPT choosing to be a part of this pilot program," said Steve Ford, Head of Sustainability and Energy at GPT.

## Leading in the delivery of carbon neutral buildings

Reinforcing GPT's leadership position in sustainability, Workplace6 in Sydney and 8 Exhibition Street in Melbourne achieved carbon neutral certification by NABERS and Climate Active in December 2019, becoming the first two office buildings in Australia to achieve this certification in alignment with the Greenhouse Gas Protocol. Both assets are in the GWOFF portfolio, which is on track to achieve carbon neutral certification for all its buildings by the end of 2020.

"Moving towards a net zero carbon target is a great achievement for our fund, and it is also delivering benefits to our tenants through savings and assisting them to achieve their own targets to reduce emissions," said Martin Ritchie, Fund Manager, GWOFF.

Workplace6 is a waterfront A-Grade office building achieving world leading standards in environmental design and resource efficiency. Developed by GPT in 2009, it was the first office development to achieve 6 star Green Star ratings for Design and As Built in NSW. It has reduced its energy intensity by 32% since opening and installed the innovative Solpod rooftop solar system in 2019. Workplace6 creates a positive environmental impact through procuring the remainder of its electricity from off-site renewable sources and through investment in carbon and biodiversity projects to offset its residual emissions. It has achieved a 6 star NABERS Energy rating (including GreenPower), a 4.5 star NABERS Water rating and a 4 star NABERS Waste rating.

Built in 2005, 8 Exhibition Street is a Premium Grade office tower in Melbourne. Under GPT's management since 2014, 8 Exhibition has delivered a 22% energy intensity improvement between 2014 and 2019, with a significant portion of this coming from an LED lighting upgrade carried out in 2018. The upgrade changed over 2000 lights in common areas, bathrooms and plant rooms, cutting common area lighting electricity consumption by 75 per cent and reducing 8 Exhibition Street's energy and maintenance costs by around \$7,800 a month. The new lighting has reduced maintenance and increased the quality of common areas, in addition to saving money. The building procures 100% renewable electricity and also creates a positive environmental impact by investing in carbon offsets and local biodiversity projects. It has achieved a 5 star NABERS Energy rating without GreenPower, a 3.5 star NABERS Water rating as well as a 4 star NABERS Waste rating.



## What is carbon neutrality?

Carbon neutral means we operate our buildings to minimise inherent emissions that contribute to climate change. For those emissions we can't avoid, we invest in projects that build nature's capacity to absorb carbon or we help others avoid emissions equivalent to what we released. This results in a net carbon impact of zero to run our buildings.



"We congratulate GPT being the first to incorporate data from their certified NABERS Energy, Water and Waste ratings, setting a new bar for robustness in carbon neutral claims."

Carlos Flores, Director of NABERS

"We are ensuring that 100 per cent of GWO's electricity purchases have appropriate renewable energy certificates associated with them and they are retired in the process. So we are actually eliminating emissions, not buying offsets for our electricity. We only buy offsets where emissions can't be eliminated. This is the case for emissions from burning gas, waste to landfill, water consumption, diesel backup generators and occasional fugitive emissions like refrigerants."

Martin Ritchie, GWO Fund Manager

# Energy (continued)

## GPT's Energy Master Plan

During 2019, we have seen significant progress across all aspects of our Energy Master Plan, including:

- » Driving energy efficiency and delivering new on-site solar photovoltaic electricity projects;
- » Procuring cost-effective, low price volatility energy supply contracts with providers in order to manage GPT's transition to carbon neutral;
- » Electrifying our assets to minimise dependency on fossil fuels;
- » Implementing a demand response program that utilises asset electricity generation infrastructure and manages electricity loads throughout the day; and
- » Reviewed storage options to meet peak demand challenges.

## Industry partnerships

As one of the first property companies globally to be delivering carbon neutral buildings, we are committed to sharing our knowledge so others can accelerate their own climate action because the environmental challenges facing the world will not be solved by the actions of any single company. To deliver on our strategies, we partner with government bodies, co-owners, energy businesses, suppliers, investors, financiers and tenants. Developing and sharing knowledge and success on this journey delivers greater outcomes than we would be able to achieve on our own. GPT are currently in partnership with partners including ARENA and the City of Sydney to pilot new technologies in solar and battery storage. GPT's Energy Master Plan and carbon neutral goal positions us well to meet stakeholder expectations.

## Project profiles

Our 32 Smith Street, Parramatta development is due for completion at the end of 2020. Designed to reduce water and energy consumption, it is targeting a 5 star NABERS Energy rating and a 6 star Green Star environmental rating. A broad range of technologies are also being deployed, providing an adaptable, integrated and future-proofed building.

In May 2019 we unveiled the design for Frame, Melbourne CBD's largest timber building, which will sit atop Melbourne Central. It will feature engineered timber, a material with lower embodied carbon, and we will be challenging our construction contractors to provide further reduced embodied carbon building techniques. The building is targeting a 5 Star NABERS Energy and Water rating, a 6 star Green Star Design & As Built rating and a WELL Gold Standard rating.

Once completed, both projects will operate carbon neutrally.

## Policies

- » [GPT Climate Change and Energy Policy](#)
- » [GPT Environment Data Pack 2019](#)

## Next Steps

- Implement carbon neutral certification by NABERS and Climate Active across the remainder of GWOF portfolio, prioritising energy efficiency and renewable energy to reduce emissions and using carbon offsets against any remaining emissions
- Continue the implementation of the GPT Energy Master Plan, comprising ongoing energy efficiency programs, installation of on-site solar where feasible, procurement of 100% renewable electricity from the grid with retirement of the certificates, manage electricity loads and respond to demand events, electrify our gas infrastructure and deliver battery storage options
- Continue to work with our industry peers to develop a market for lower embodied carbon construction materials



GPT's specific climate change and energy targets, and performance against targets, are summarised in the table below.

	Metrics/ Key performance indicator	Current performance	2020-2022	Medium to long term target
GPT climate change impacts	Base building carbon emissions intensity in kgCO <sub>2</sub> e/m <sup>2</sup> (Scope 1 and 2) as a measure of GPT's impact on climate change	54 kg CO <sub>2</sub> e/m <sup>2</sup> at end 2019	49 kgCO <sub>2</sub> e/m <sup>2</sup> at end 2020	Carbon neutral - 0 kgCO <sub>2</sub> e/m <sup>2</sup> by 2030
	GPT Wholesale Office Fund base building carbon emissions certified carbon neutral (Scope 1, 2 and 3) by NABERS and climate Active in alignment with GHG Protocols by end 2020	2 of 18 buildings certified carbon neutral by end 2019	18 of 18 buildings certified carbon neutral by end of 2020	Maintain
	Organisational carbon neutral to eliminate GPT's climate impact and deliver on a leadership position that meets expectations of GPT's investors and tenants	GPT has been a Carbon Neutral Certified organisation since 2011. (Certified by the Australian Government Climate Active program.)	Maintain	Maintain
	Base building energy intensity in MJ/m <sup>2</sup> as the principal inherent source of Scope 1 and 2 emissions risk	314 MJ/m <sup>2</sup> at end 2019	308 MJ/m <sup>2</sup> at end 2020	Targets set annually, based on portfolio size
GPT metrics and targets responding to risk and opportunities from climate change	Improve NABERS star ratings (without GreenPower) for office buildings to ensure GPT continues to exceed market expectations for energy performance	Achieved average office portfolio ratings of 4.9 stars at end 2019	Achieve portfolio rating of 5 stars or better by end 2021	Maintain
	Install solar PV arrays on all assets where feasible to mitigate risks of rising energy costs	3.04MW of solar PV install across the portfolio by end 2019	4MW of solar PV install across the portfolio by end 2020	10MW of solar PV install across the portfolio
	Provide an option to all logistics tenants to have access to a rooftop solar PV supply to reduce their energy costs and meet growing stakeholder expectations	A pilot rooftop array has been installed at one asset with business model for roll out approved	100% of logistics portfolio reviewed and a rooftop solar PV offer provided where feasible to tenants by end 2021	Maintain
	5 Star Green Star Design and As-Built rating or better for office and retail developments as an indicator of broad building resilience	5 Star certification achieved on 8 buildings buildings since certification became available	Achieve 5 stars or better on all developments (office and retail)	Maintain
	Climate adaption planning developed to identify and manage asset specific climate risks and opportunities across the portfolio	Melbourne Central Rooftop project has delivered GPT's first development Climate Adaption Plan	Climate hazard identification to be completed for key assets by end 2020 Plans to be completed for key assets by end 2020 Climate adaption planning to be incorporated in the design phase of major developments from 2020 onwards	Maintain
	Lifecycle assessments (LCA) to include consideration of climate related impacts on plant and equipment	Lifecycle assessments with consideration of climate change risks have been undertaken across the portfolio	Include LCA findings in all asset climate adaption plans by end 2022	Maintain

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# Materials, waste and resource management

- ✓ Workplace6 was Australia's first building with a Materials Recovery Score included in its NABERS Waste Rating
- ✓ GPT assets were the first in Australia to be serviced by a contractor certified with the GECA (Good Environmental Choice Australia) Waste Collection Services standard: Organic Recycling Group
- ✓ Over 2,200 tonnes of organics were recycled in a closed loop in 2019

GPT recognises that resources are being consumed and waste is being generated at unsustainable rates, leading to increased emissions, land and water contamination, and unnecessary resource depletion. We seek to minimise waste, leveraging the full life cycle of materials and avoiding the overconsumption of raw materials and resources.

Our approach to minimising waste and managing resources starts with our objective to use and recover the materials in a closed-loop manner. This includes eliminating waste where possible, choosing the right materials on our projects, and recovering everything in our control to the highest value that we can. As a property manager, GPT's most significant waste and resource impacts come from how we manage and dispose of the waste generated by the occupants and users of our buildings (our operational waste) and from the construction and demolition activity that we manage (our development waste).

We have invested significantly in improving the quality and integrity of our data to overcome a key challenge faced by our industry, which is to understand how materials are actually being recovered and whether that meets our closed loop objective. Our work has led us to engage with our supply chain to understand the processing outcomes of materials that leave our buildings, realign our contracts to incentivise balancing efficiency and recovery without compromising safety, and reformat our reporting to highlight and drive further performance in line with our closed loop objective.

This work has influenced the property sector as a foundation to the release of the Better Buildings Partnership's Operational and Stripout Waste Guidelines, the renewal of the NABERS Waste tool and the introduction of its Material Recovery Score and the release of the GECA Waste Collection Services standard, which certifies waste contractors that provide leading practice services with strong data integrity. We believe that partnering with our contractors and industry in managing waste and

resources sustainably will enable us to minimise costs for our tenants and investors, anticipate and prepare for emerging regulations and increasing societal expectations, and deliver meaningful environmental outcomes.

For our developments, we continue to work with contractors and suppliers to implement project-specific separation, reuse, recycling, and diversion targets in line with Green Star standards, as well as undertake material selections that are sensitive to the environmental impacts.

The diversion of materials for low-grade recovery (B-Grade and C-Grade) reduced in 2019 due to facility closures and changes to the waste processing industry in New South Wales and Victoria.

Lettable Area	2005 1,750,910	2018 2,075,473	2019 2,026,294	m2
<b>Materials Recovery</b>				
A-Grade Recovery (closed loop)	—	31.1	30.6	%
Diversion from Landfill	29.1	39.6	34.5	%
<b>Materials, waste and resource management</b>				
Total Materials	24,087	33,409	29,541	t
Total Material Recycled	7,017	13,234	10,181	t
Material Recycled - A-Grade	—	10,397	9,027	t
Material Recycled - B-Grade	—	1,734	1,130	t
Material Recycled - C-Grade	—	1,103	20	t
Material sent to Landfill	17,070	20,175	19,360	t
Hazardous Material	0	0	0	t

Outcomes-based reporting started from 2015.

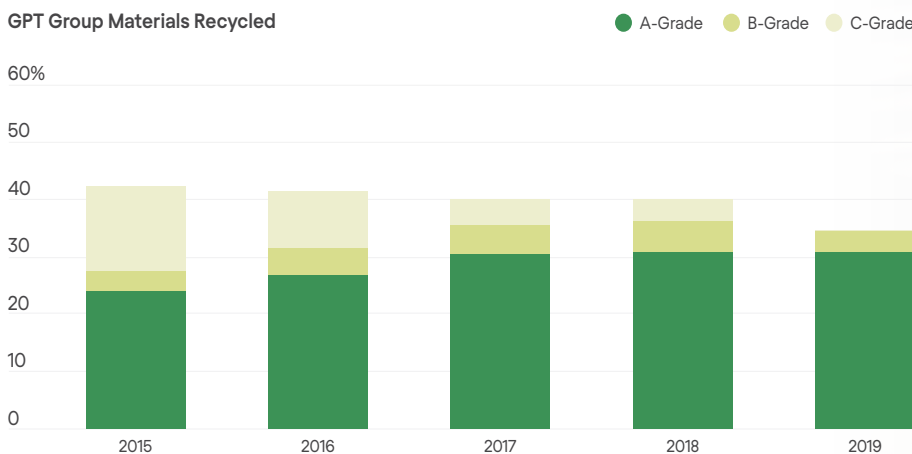
For a detailed breakdown by fund and asset, as well as important notes about our environmental performance, see the [GPT Environment Data Pack](#).

# Materials, waste and resource management (continued)

## Performance Indicator

Metric	Current performance	2020-2022 target	Medium to long term target
Reduction in waste to landfill through increased closed loop recycling, measured as a recycling rate. (Landfill is the principal source of Scope 3 emissions from building operations)	30.6% closed-loop recycling achieved in 2019	31% closed-loop recycling by end 2020	<p>Recover in a closed loop approach:</p> <ul style="list-style-type: none"> <li>» 98% of operational waste</li> <li>» 95% of development waste</li> </ul> <p>Achieve leading practice in:</p> <ul style="list-style-type: none"> <li>» minimising waste in our corporate activities</li> <li>» resource intensity from material selection in operations and development</li> </ul>

## GPT Group Materials Recycled



### What is closed loop recovery?

**Not all recycling is the same.** When recycling is picked up from one of our buildings, our waste contractors take it to a facility that recovers and re-processes that material into something that can be sold and used again.

A glass bottle, if well separated and sent to the right facility, can be recycled back into glass and used again, keeping it in the same production cycle. This properly values the initial investment to make that glass bottle and avoids raw materials and energy needed for a new glass bottle. This is what we call closed loop recovery (A-Grade).

There are other paths for that glass bottle to avoid landfill:

- » Downcycling it to a lower value product or one with limited recovery possibilities, like crushing it up and using it for roadbase (B-Grade); or,
- » Using it for a one-off re-use or diverting it from landfill but not recovering it into any production cycle (C-Grade).



### GPT joins the fight against food waste

In Australia, 5 million tonnes of food ends up in landfill each year, enough to fill 9,000 Olympic swimming pools. Wasting so much edible food is alarming, considering that over four million Australians experience food insecurity each year. Throwing away edible food also has negative environmental consequences: when it breaks down in a landfill it produces methane, a potent greenhouse gas, and nutrients that can pollute soil and waterways.

GPT's Charlestown Square, the largest shopping and entertainment destination in the Hunter region, is taking a twofold approach to tackling the problem of food waste:

1. Charlestown Square rolled out a dedicated organics diversion to a local commercial composting facility in June 2019, with 25 tonnes of unavoidable food waste being diverted for processing back to compost.
2. GPT has also continued its partnership with OzHarvest at Charlestown Square to support local families needing food relief and averting food waste ending up in landfill.

Read more about our approach in "Taking the Rubbish Out of Recycling Data" - a discussion paper on our outcomes-based approach.

### Policies

GPT Waste and Resource Management Policy

## Next Steps

- ➔ Rate all eligible assets with the NABERS Waste tool
- ➔ Work with our waste contractors to be certified with the GECA Waste Collection Services standard, and include it in future procurement expectations
- ➔ Identify materials within our control to eliminate and prioritise recovery of those materials with a reuse or closed loop recovery pathway
- ➔ Continue to work with tenants, occupants and visitors to minimise waste, reduce contamination and improve recycling

## 09



Water security is fundamental to sustaining ecosystems, human wellbeing and our economy. Changes to the global water cycle have already impacted urban water supplies, agricultural productivity and natural systems, and with shifting rainfall patterns and increasing severity of floods and droughts, water security and resilience is becoming a major challenge facing Australia.

# Water

- ✓ Our water efficiency strategy has delivered a 46% improvement in water intensity since 2005
- ✓ Over \$60m in water costs and 16 gigalitres of water cumulatively avoided since 2005, compared to business as usual
- ✓ Our Office portfolio maintained a 3.5 Star NABERS Water rating

We strive to use and manage water resources as sustainably as we can through:

- » Implementing metering solutions to improve understanding of who and what uses water in our buildings;
- » Reducing the need for and improving the efficiency of our water use through actions like low-irrigation native landscaping or upgrading and optimising equipment;
- » Matching appropriate water sources to end uses and using non-potable water where possible, like our use of recycled water at Rouse Hill Town Centre and the Quad buildings; and
- » Considering local and downstream hydrology and the Integrated Water Cycle Management framework in how we manage and develop.

## Understanding and driving base building efficiency at Melbourne Central

In 2019 we completed a major sub-metering project and an upgrade to our air conditioning systems at Melbourne Central Shopping Centre. These projects have enabled us to better articulate and improve the building's efficiency in a few ways:

- » The sub-metering project gave us detailed insight into tenant consumption (over half of site-wide water use) and enabled us to express base building water use in our reporting. This separation helps us engage with tenants to improve the efficiency of water uses under their control, like for food preparation. It also supports better targeting of further efficiency projects for the base building.

- » We also carried out a replacement and re-balancing of air conditioning and other services, which delivered over 18 megalitres of direct savings.

Lettable Area	2005 1,750,910	2018 2,075,473	2019 2,026,294	m2
<b>Water</b>				
Water Intensity	1,561.0	870.2	838.9	L/m2
Total Water	2,733,739	1,806,066	1,699,761	kL
Non-potable water	0	74,913	67,408	kL
Captured/ reused	0	9,988	9,337	kL
Onsite recycled	0	4,094	3,671	kL
Offsite recycled	0	60,831	54,399	kL
Potable Water	2,733,739	1,731,154	1,632,354	kL

For a detailed breakdown by fund and asset, as well as important notes about our environmental performance, see the GPT [Environment Data Pack](#).

## Performance Indicator

Metric	Current performance	2020-2022 target	Medium to long term target
Reduction in water consumption measured as base building water intensity in L/m2	839 L/m2 at end 2019	Maintain water intensity while occupancy density increases	Deliver leading practice water efficiency and hydrology planning

## Policies

[GPT Water Policy](#)

## Next Steps

- ➔ Deliver industry leading water management and efficiency on all new developments and continue to drive better monitoring and efficiency outcomes in operating buildings
- ➔ Engage with tenants and others to improve their water efficiency, including embedding effective and measurable practices into the leasing and fit-out stages
- ➔ Evaluate the on-site / off-site hydrology of our managed assets, with a focus on establishing the degree of source depletion and impacts on downstream waterways

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# Biodiversity

- ✓ Launched GPT's biodiversity tool
- ✓ Included biodiversity criteria in our supplier prequalification and selection processes
- ✓ Partnered with GreenFleet to offset emissions through restoring ecosystems, sequestering carbon and improving waterways

At GPT we understand that biodiversity is fundamental to life on earth, playing an important role in the way ecosystems operate and in the many functions they provide such as clean water, food, timber, soil fertility and climate regulation. We acknowledge that our ability to create value over the long term is critically dependent on resilient ecosystems and that a loss of biodiversity results in a reduction in the quality of the ecosystem functions we rely on.

As part of our commitment to making a positive contribution to the environment, we are committed to understanding our role in protecting biodiversity throughout the lifecycle of our assets, including during design, construction and maintenance. Our commitment to biodiversity is integrated into our Energy Policy, our Environmental Management System and our Risk Management Framework.

## GPT's biodiversity tool

In 2019, our focus has been on building our understanding of the effect our business has on biodiversity, both directly and indirectly. We developed and launched GPT's biodiversity measurement tool to establish a baseline for on-site biodiversity, identify specific actions and opportunities, and to track our performance. In addition to launching this tool, we have also undertaken a number of practical steps in collaboration with our suppliers and contractors, and formalised a partnership with GreenFleet.

## Collaborating with our suppliers and contractors

We have explicitly included biodiversity criteria in GPT's supplier pre-qualification and selection process, and we regularly conduct biodiversity awareness training for all of our operations managers as well as contractors such as cleaners and waste companies. We have also implemented systems to assess and manage chemicals used on our sites, to ensure any environmental and health risks are mitigated.

## Partnership with GreenFleet

As part of GWO's carbon neutral target, we have partnered with GreenFleet to offset emissions from gas waste and water. These offsets have excellent outcomes for biodiversity as GreenFleet plants forests on land in Australia with 100-year protection orders, restoring ecosystems while sequestering carbon and improving waterways. This approach takes us beyond the no impact state of carbon neutrality and moves us toward an overall positive impact on the environment.

## Policies

[GPT Biodiversity Policy](#)

## Next Steps

- Continue to integrate biodiversity into our strategy, business model and decision-making processes, reducing risks and negative impacts
- Track and report on appropriate measures associated with biodiversity
- Explore opportunities to build further relationships with external partners to support biodiversity goals

## 11



Ensuring our assets are culturally sensitive and safe for all people boosts community engagement, economic development and asset productivity. This feedback has come through from both First Nations and LGBTI community groups and applies to asset events, facilities and service providers equally.

# Social

## 2019 Social Performance Highlights

- ✓ Achieved an 80% sustainable engagement score in our employee survey, which is 4% higher than the Australian national norm
- ✓ Launched a new value in line with GPT's safety leadership: Safety First - Everyone, Always
- ✓ 80% of employees contributed to the GPT Foundation through volunteering, donations and fundraising
- ✓ Formalised our 10-year partnership with the CareerTrackers Indigenous Internship program
- ✓ Established the Modern Slavery Working Group, a cross functional team, to respond to the Modern Slavery Act 2018

As a leader in the Australian property sector, we understand the importance of social investment to our business strategy. We know that in order to create long-term value for our investors, we need to ensure we are supporting our people, customers and communities to prosper.

We recognise the importance of an inclusive, healthy and safe workplace for our people, and proactively embed these priorities in our contractor and supplier relationships, as well as in our assets for the benefit of our tenants, customers and communities. This includes ensuring our business practices protect and respect human rights, upholding high standards of safe work practices, and designing our assets in ways that enhance social and emotional wellbeing.

We know that in order to build prosperity, we must ensure we have quality and trusted relationships with our stakeholders. This is reflected in our collaborative and co-design approach to placemaking, and why we work together with our peers in the property sector to understand and address important issues such as modern slavery. It is also evident in our corporate social investment through the GPT Foundation and its focus on Youth at Risk, and our commitment to reconciliation through our Stretch Reconciliation Action Plan.

We want to move beyond philanthropy and corporate social responsibility and be more strategic, thinking simultaneously about GPT's business interests and our capacity to contribute to positive and lasting societal change. We want to make a positive impact in the local communities that host our assets, and help build the capacity of these communities to realise their vision of a sustainable future.

Four focus areas underpin our engagement with the community at an asset-level, and these are readily experienced in the design and operations of assets under GPT management:

**Local:** our assets are unique communities

**Connected:** our assets foster social connection and business productivity

**Well:** our assets are safe environments that support physical, mental and economic wellbeing

**Inclusive:** our assets are accessible, culturally safe and socially inclusive

GPT's Corporate Community Investment captures all material community-related investments associated with assets that we have 100% management control over.

Corporate Community Investment	2018	2019
<b>Total Contributions</b>	<b>\$5.04m</b>	<b>\$7.65m</b>
Direct community investment	\$3.15m	\$5.27m
Sponsorship	\$0.21m	\$0.05m
GPT Foundation	\$0.30m	\$0.59m
Volunteering time	\$0.21m	\$0.23m
In-kind provision of charity and community space	\$0.50m	\$0.48m
Management support	\$0.62m	\$1.01m
Employee giving facilitated by GPT	\$0.05m	\$0.02m
<b>Employee Giving</b>		
Employee volunteering		65.60%
Employee participation with GPT Foundation		80.30%

For further information and reporting please see GPT's Corporate Community Investment Reporting.

# Our community highlights

## Highlights from our Retail portfolio

Our retail assets are destinations that attract people who come for work, shopping and leisure. They are safe places for community members to come together, spend time with their friends and family, and connect with other community members.

### Highpoint and The Youth Junction

Highpoint Shopping Centre has been exploring how it can better support young people in the community, and has formed a growing partnership with The Youth Junction Inc - a leading youth service provider in Melbourne's west. The Highpoint team took a different approach to volunteering for Community Day 2019, and were invited to share skills with young people engaged with Youth Junction in the organisation's work ready programs. This was also an opportunity to get to know young people in the region, and learn more about what we could do together. Over Christmas, Highpoint were delighted to have Youth Junction's young people host their gift wrapping booth, and we are excited to see where this partnership takes us next.

*"The Christmas gift wrapping station was a wonderful opportunity provided by the Highpoint team to give young people, currently engaged at The Youth Junction, work experience in a customer facing role, providing a service, gaining social skills and working in a team environment. These valuable skills will help prepare them for future work opportunities."* – Kristine Bugeja, Communications and Marketing Manager The Youth Junction Inc

### No More to family violence

Since 2018, Casuarina Square has hosted an annual event attracting hundreds of people to link arms in the Centre, uniting to say no more to domestic and family violence. In partnership with Northern Territory organisation No More, Casuarina Square hosts this event supporting the organisation to raise awareness of the issue. Retailers in the centre have joined this campaign alongside community leaders including police and emergency services, defence services, community organisations, sports clubs and schools; echoing the message in our community that everyone deserves to be safe and treated with respect.

## A good read at the Little Library

Melbourne Central boasts a beautiful "Little Library", a quiet space for people to reflect in the hub of the Melbourne CBD. In 2019 the Little Library hosted Storytime, an interactive workshop is hosted by Jaeden Williams providing an insight into the language, culture and values of the First Australians during Melbourne's Yirramboi festival. The Little Library also features an assortment of books published by the Indigenous Literacy Foundation.

In April 2019 Casuarina Square opened its Community Book Depository. The community is invited to make themselves comfortable while they enjoy a quiet read or take a book and replace it with one they no longer need.

## Harmony Day at Parkmore Shopping Centre

As part of the Harmony Day celebrations at Parkmore Shopping Centre in 2019, the Centre launched a "Language Board" at the Guest Service Desk. It outlines the staff on duty that day and what language they speak. We know there are many members of our community who speak English as their second language, and we recognise in this area particularly mature-aged community members can feel socially isolated and challenged by a language barrier. We are pleased to trial different ways we can support people in their day-to-day activities, like helping connect people with our Centre staff who speak their native tongue. We also have an online tool available at the Guest Service Desk to translate written messages if assistance is required with writing.

## Getting the community moving at Wollongong Central

Wollongong Central's 2019 Move Fest was a two-week festival to celebrate healthy lifestyles through a range of activations. This included free fitness classes, a kids club during the school holidays, pop up stores, and its second StairClimb Challenge to raise funds for Supported Accommodation & Homelessness Services Shoalhaven Illawarra (SAHSSI).

Events throughout the program targeted young and old, with the goal to encourage active and healthy lifestyles and to show you can have fun while being active.



### Pride at Casuarina Square

Casuarina Square celebrates its relationship with Darwin's LGBTIQ community, which continues to evolve and grow each year. The Centre team work closely and in different ways with Darwin Pride and Headspace's LGBTIQ youth group, from co-hosting events and community meet ups to consulting on gender neutral bathrooms.

Casuarina Square and many other GPT assets celebrate and recognise Mardi Gras, Youth Pride Week, Wear It Purple Day and IDAHOBIT Day as key opportunities to raise awareness and support in the public realm. This relationship in Darwin has given GPT a greater understanding of the experience of the LGBTIQ community in a shopping centre environment, and we were pleased to open GPT's first gender neutral toilets at Casuarina Square in 2019 as an example and a result of this learning. This is now being considered more broadly across the GPT portfolio.

### Celebrating cultural diversity in our communities

Our assets bring together people from many different cultures, and host annual celebrations such as Deepavali. In 2019 we saw incredible gatherings at Highpoint Shopping Centre, Parkmore Shopping Centre and Rouse Hill Town Centre celebrating this significant Hindu festival.

Rouse Hill Town Centre also recognised and celebrated Lunar New Year, hosting activities like lantern making and calligraphy, and partnering with retailers to host cooking classes. More than 300 people joined the festivities and the Dragon Dance attracted hundreds of shoppers who took photos and joined in with the performance.



80% of GPT employees believe our approach to sustainability should include a focus on supporting or improving the resilience of the communities in which we operate.

# Our community highlights (continued)

## Highlights from our Office portfolio

Our office portfolio of high quality assets are focused on establishing and maintaining great spaces where people want to come to work everyday.

### Wellness

GPT's Office portfolio recognises the importance of wellness and the role the workplace can play in supporting positive mental health and general health practices. GPT's Office assets provide state of the art end-of-trip facilities to enable tenants access to cycle and transport alternatives, to and from their workplaces.

In addition, our Office teams host a wide range of events throughout the year to ensure the people who work in our buildings have access to quality health and wellbeing services and professionals. In 2019 these included workshops on immunity nutrition, weight management, sleep and men's health, as well as mindfulness.

**"The wellness program has been a great initiative. It encourages people to maintain a healthy work life balance, socialise and meet other tenants"** – Tenant feedback on yoga classes at 530 Collins.

### Building awareness for youth homelessness

For the second year running, a number of GPT's Melbourne office assets supported Kids Under Cover to raise awareness of, and much needed funds for, their Studio and Scholarship programs through the festive gift-wrapping program. GPT was proud to be part of more than 100 volunteers giving their time and skills across a number of gift-wrapping sites, together wrapping nearly 4,000 gifts and raising more than \$11,000.

### Celebrating being fearless – Mardi Gras 2019

GPT celebrates and acknowledges Mardi Gras through a number of activities, and in 2019 showcased the Mardi Gras theme 'fearless' through events and activations. The Group's Sydney based assets (580 George Street, MLC Centre, Australia Square and One Farrer Place) were brought to life with colourful decorations, and two assets hosted tenant events with keynote speakers reflecting on their lived experiences at work and in their personal lives. Such events and activities provide opportunities for people to ask questions and learn more about what actions we can take to provide fearless inclusion in our communities.

## GPT's National Office People First Awards

The GPT Office team hosted their third Annual National People First Awards in 2019, where they celebrated 'the best-of-the-best' in customer service excellence across the roles of concierge, cleaning, security and maintenance. We are really proud of our partners who support our assets with these services, and were pleased to receive more than 70 nominations submitted by GPT management, peers and customers for these awards.

**"It's through little things done well and with consistency that we can show GPT's commitment to our customers. From providing reliable levels of service that respond to our customers' needs, offering friendly smiles, creating memorable experiences and listening to our customers,"** said GPT's Head of Asset Management Office & Logistics, John Hanrahan.

Seven individuals or teams received National People First Awards including the Ambassador Award, which was awarded to Dorothea von Gnielinski and Colin Cougan, Riverside Centre's Concierge Team. This dynamic duo continue to go above and beyond in their day-to-day roles servicing, our customers' needs and making their life at work easier.

### OneOneOne Eagle Street "River to Rooftop" StairClimb

The River to Rooftop StairClimb was held in August 2019 at OneOneOne Eagle Street, in partnership with Women's Legal Services (WLS). The event was focused on raising awareness and funds for WLS domestic violence prevention programs for thousands of families in need. Each year the River to Rooftop attracts support from across the community, including emergency services staff and professional StairClimb athletes from all over Australia. The event was a huge success and doubled the funds raised in the previous year, with a total of 520 participants raising \$150,000. Importantly, these funds ensure people seeking support from family and domestic violence can receive help.

### Policies

- » [Community Engagement & Development Policy](#)
- » [Community Investment Protocol](#)



More than 520  
participants raised

**\$150,000**

for family and domestic  
violence in the River to Rooftop



# 12



# The GPT *foundation*

- ✓ The GPT Foundation supports Youth at Risk and focuses on child wellbeing, youth homelessness and mental health
- ✓ The GPT Foundation has seven partnerships with with Australian charities
- ✓ In 2019, more than 80% of GPT employees were involved in The Foundation through volunteering, donations or fundraising

The GPT Foundation was established in late 2017 to coordinate and give focus to GPT's corporate community giving activities. The Foundation's focus is Youth at Risk, which encompasses the themes of child wellbeing, youth homelessness and mental health, themes that our people told us were important to them and the communities that we operate in. We believe that by supporting young people who need a hand up today, we can build stronger communities, and ultimately help our communities prosper.

In 2019, more than 80% of our people were involved in The GPT Foundation through volunteering, donations or fundraising activities.

## Community partners

The GPT Foundation has formally partnered with registered charities: ReachOut, the Australian Childhood Foundation, the Property Industry Foundation, Youth Off The Streets, Batyr, Mission Australia, and Kids Under Cover. In 2019, we focused on strengthening our relationships with our community partners to ensure our support enabled them to meet their goals, including investing \$100,000 in each of our two Tier 1 partners: ReachOut and the Australian Childhood Foundation. This has made a significant difference, enabling the Australian Childhood Foundation to offer more counselling sessions for children and families in need. It has also enabled ReachOut to develop their parent engagement and support programme, and develop meaningful content to support young people in issues of the moment, such as their Future Stress programme. We also supported the Australian Childhood Foundation to deliver their annual Big Love Light walk, and hosted an Art Battle featuring six high profile artists to raise awareness about mental health for for ReachOut - both at Melbourne Central Shopping Centre.



## The Cas Pool Party

In 2019 Casuarina Square hosted the Cas Pool Party, a youth engagement event that attracted over 650 attendees to the neighbouring Casuarina Pool. More than 20 organisations contributed to this event, including the Northern Territory Government, YMCA and Larrakia Nation. The Cas Pool Party provided a positive environment where young people and their families could relax and spend time with each other, as well as meet and connect with relevant social and community services. This event was supported by The GPT Foundation's seed funding program for youth community initiatives.

# The GPT Foundation (continued)

## Employee involvement

The GPT Foundation looks to create the greatest impact by engaging our employees in volunteering, workplace giving and supporting employees in their personal fundraising efforts. This year more than 65 percent of GPT employees volunteered their time at community organisations through GPT's annual Community Day and other volunteering opportunities, with many of our people giving more than one day of their time to volunteer. Volunteering projects change each year as we work with our GPT Foundation partners to support their key projects and initiatives, as well as identifying projects with not-for-profit partners that support leading social concerns in the communities where we operate. In 2019, one of our larger Community Day projects supported Mission Australia's Canterbury Bankstown Youth Service, with GPT volunteers giving the property a complete face-lift.

In 2019 The GPT Foundation also supported over 100 employees in their personal fundraising activities by contributing a \$250 donation to their individual campaigns. Through this support, more than 70 employees participated in Cerebral Palsy Alliance's September fundraiser, and collectively raised more than \$20,000.

In 2019 we also built on our workplace giving program, Give for Change, which enables our people to regularly contribute a nominated amount of money from their pre-tax salary to a registered Australian charity. The Foundation matches employee contributions dollar-for-dollar.

With many communities across Australia suffering unimaginable loss and devastation as a result of bushfires, GPT donated \$250,000 to organisations supporting the crisis, including the Australian Red Cross, The Salvation Army and the NSW Rural Fire Service. GPT's Charlestown Square shopping centre gave more than \$20,000 to their local appeal by donating the proceeds of their Cringeworthy Christmas pictures campaign. In early 2020, the Foundation double-matched any employee bushfire donations, contributing a further \$50,000 to various appeals.

2020 is looking to be an exciting year for the Foundation. Having been in operation for just over two years, we are keen to take the next steps and further embed the Foundation in what it means to work at GPT. This will include strengthening our relationships with our partners and identifying how we can leverage GPT's core capabilities to best support our partners to achieve their goals.

## Next Steps

- Continue to grow our impact with our community partners
- Develop more ways for our people to get involved and give back to the community, for example through skilled volunteering
- Work to better measure the impact that The Foundation's activities have on the community

## Policies

Community Engagement & Development Policy



GPT donated more than  
**\$250,000**  
 to organisations supporting  
 the bushfire crisis



At GPT  
more than

**65%**

of our people  
volunteered their  
time in 2019

# 13



# Reconciliation *in action*

- ✓ In 2019, 1 in 5 GPT employees participated in formal cultural learning activities aligned to our Reconciliation Action Plan
- ✓ Across the portfolio GPT hosted more than 25 activations and events with community stakeholders to recognise Australia's history and celebrate First Nations cultures in our communities
- ✓ We engaged Traditional Owners and First Nations stakeholders in formal consultation activities for asset place planning
- ✓ Prior to 2013 GPT had no employees who identified as First Nations, however as at the end of 2019, First Nations employees represent around 1.95% of GPT's permanent workforce and intern population
- ✓ We are proud that eight of our top 10 suppliers by spend now have formalised Reconciliation Action Plans

At GPT we are committed to fostering respect and understanding for the world's longest surviving cultures and communities, Australia's First Nations Peoples. GPT's commitment to reconciliation started well before our formal commitments made in our first Reconciliation Action Plan (RAP) in 2015. Today we are continuing to learn and build strong partnerships with First Nations communities, businesses and organisations at an asset level and in our corporate activities.

In early 2018 we formalised our Stretch Reconciliation Action Plan, which is the Group's second Reconciliation Action Plan. The formal commitments in our Reconciliation Action Plan are identified opportunities where we can make a difference and support national reconciliation in Australia.

These commitments are aligned to Reconciliation Australia's five critical dimensions of national reconciliation:

- » Race relationships
- » Equality and equity
- » Institutional integrity
- » Unity; and
- » Historical acceptance.

The GPT RAP Working Group oversees the delivery of the Stretch RAP commitments, and its membership includes First Nations employees and Leadership Team representatives. Our reconciliation efforts are further supported by a First Nations External Advisory Group who provide support and guidance to ensure we are adhering to cultural protocols in our undertakings.

## Partnerships

This year we continued to grow our relationships with Traditional Owners and other First Nations stakeholders in the communities where we operate, to find ways we can give voice to Australia's history and its First Nations cultures authentically in our assets and in their operations. This has included consulting with Traditional Owners on cultural story to inform artistic features and design in our assets, which is currently being undertaken for a number of projects including for the public realm and lobby of GPT's 32 Smith Street, Parramatta. These relationships help inform ways we can acknowledge local story and history, and has also led to permanent Acknowledgment of Country signage in two of our retail assets to date: Charlestown Square and Casuarina Square. We are also working closely with Traditional Owners across the portfolio to ensure all our assets host Acknowledgment of Country signage in their lobbies and entrances, and already this is displayed on digital screens in our office assets and on all GPT-managed asset websites.

Our relationships with First Nations communities support us to incorporate cultural traditions as part of our business practices, such as inviting Traditional Owners to host a Welcome to Country at major events and hosting smoking ceremonies at important gatherings.

# Reconciliation in action (continued)



GPT  
aspires for

↑3%

First Nations  
representation  
in our workforce

## Cultural awareness

In 2019, one in five GPT employees participated in formal cultural learning activities including workshops with our formal learning partner Cultural Grounding. Eight employees travelled to Yolgnu country to experience a powerful three day cultural immersion during National Reconciliation Week with Lirrwi Tourism.

This experience reinforced the objectives of the reconciliation movement to our business, as the group returned to share the knowledge they had learned from the Yolngu community with our broader workforce.

## Community relationship building

Across the GPT-managed portfolio we hosted more than 25 events and activities with our communities, recognising and celebrating First Nations cultures and story. GPT's National Reconciliation Week campaign featured our CareerTracker intern Molly Wallace's artwork, and Molly was interviewed by ABC Wollongong about her work. We celebrated NAIDOC Week with multiple public events across the GPT-managed portfolio, such as hosting a pop-up at Rouse Hill Town Centre featuring words in Darug, the local language, and inviting a Larrakia artist to create a mural at Casuarina Square. Outside of these key dates our assets have also been working with local partners throughout the year, with Melbourne Central hosting storytime in their Little Library during the city's Yirramboi Festival and Wollongong Central hosting a First Nations art exhibition with their partner SAHSSI (Supported Accommodation & Homelessness Services Shoalhaven Illawarra).

At Casuarina Square in Darwin, we have engaged in significant community consultation to identify how we can support positive social engagement in the broader Darwin community, recognising that this region experiences complex social challenges. Our Casuarina Square Social Plan, developed in 2018, has led to a number of positive initiatives including a fortnightly Community BBQ which we host with social services and other community partners to support people experiencing homelessness; the trial of a fitness program for at-risk young people, and piloting a youth retail skills program.

## Employment opportunities

GPT also strives to support employment opportunities for First Nations people. The Group has three permanent First Nations employees and offers internships through the CareerTrackers Indigenous Internship Program that creates pathways for First Nations university students, through industry experience. In 2019, the Group hosted six CareerTrackers interns and joined as a 10x10 Program partner which formalises a ten year commitment with the organisation.

## Contractor and supplier network

We understand that we have a role to play and use our influence with our stakeholders to support the reconciliation movement in Australia. For example, we have adapted our supplier tender questionnaire to include an opportunity for companies to share details about their reconciliation actions, formalised First Nations employment initiatives and/or procurement strategies, and other relevant activities. Potential suppliers that are able to demonstrate reconciliation commitments are then recognised as favourable for this. We are pleased that eight of our top ten suppliers (by spend) have formal Reconciliation Action Plans in place.

## Policies

[GPT's Stretch Reconciliation Action Plan 2018-21](#)

In 2019

1 in 5

of our people participated  
in formal cultural learning  
activities



## Next Steps



We will be launching our online learning module and the Group's First Nations Engagement Strategy in early 2020



We will continue to build on our relationships with Traditional Owners, First Nations community organisations and businesses



The Group aspires for First Nations representation in our workforce to reach 3%, and we will continue to explore how we can increase opportunities for First Nations peoples at GPT and in the property industry

# 14



# Our people

- ✓ Employ a gender diverse workforce which is 56% female
- ✓ Increased the representation of women in our top quartile from 42% to 46%
- ✓ Achieved a score of 77 in the Australian Workplace Equality Index
- ✓ Formalised our 10 year partnership with the CareerTrackers Indigenous Internship Program

At GPT we are committed to creating a high-performance work environment characterised by high levels of employee engagement. We want to support and empower our people to reach their potential, allowing for greater creativity and innovation.

We know that the wellbeing and engagement of our people and their ability to build long-term, trusted relationships with investors, tenants and communities is fundamental to the success of our business.

The 2019 GPT employee engagement survey provided an 80% sustainable engagement score, which met our target to exceed the Australian national norm (76%). Our focus has been on embedding our Diversity and Inclusion Strategy and investing in the ongoing development of our people.

## An inclusive workplace

At GPT we want our people to bring their 'full selves' to work and one of our key values is to 'value differences, play as a team'. We believe that by embracing the diverse backgrounds, experiences, and perspectives of our people, we can work together to achieve our best outcomes and create value for all our stakeholders.

In order to provide environments that enable our people to excel, we continue to grow and adapt our robust Diversity and Inclusion Strategy. We are continuing our work towards improved gender equality, LGBTIQ inclusion, increasing First Nations representation in our workforce and the cross-cultural capabilities of our business, and evolving our business to support our maturing workforce. GPT's Diversity and Inclusion Working Group is chaired by our CEO and includes subcommittees representing gender, First Nations, LGBTIQ and our maturing workforce. Employee leads in these areas work together with the Working Group to put our Diversity and Inclusion Strategy into practice. Diversity and Inclusion is one of the highest-ranking categories in our employee engagement survey.

## Wellbeing @ GPT

At GPT, we understand that a large part of an employee's day is spent at work and we are cognisant of the fundamental influence work has on their health.

We support employees taking appropriate time to recover from illness. Within certain limits, permanent employees are provided with sick leave on an as needed basis so that they have the peace of mind to take the appropriate period of time to recuperate from illness or injury. For the last five years, the average hours of sick leave recorded per employee is less than our target of three days per year – 2.99 days in 2019.

We are committed to encouraging employees to develop lifelong healthy habits that support their wellbeing and productivity beyond their time at GPT. In 2019, we launched the Wellness@GPT program, designed to unite GPT's various initiatives in this area under the four dimensions of Mind, Body, Purpose and Place.





## Our people (continued)

### Flexibility

We seek to mitigate the challenges that may prevent our employees from pursuing their careers and realising their full potential at work due to caring or other responsibilities. In the past year we expanded access to flexible work options for all our employees, with 30.2% of GPT employees having a formal flexible working arrangement and many others working flexibly on an ad hoc basis.

We provide support to parents working at GPT and encourage all parents, irrespective of gender, to consider becoming primary carers through our parental leave program. We have enhanced this program by increasing our childcare subsidy to help to ease the financial burden of parents returning to work and aim to address the gender-based retirement savings gap by continuing superannuation payments for employees while on parental leave. We also offer a parental leave coaching program to employees taking primary carer parental leave to support their transition into and out of the workforce. In addition, GPT's Working Parents Programs are offered to parents to provide strategies on managing the sometimes conflicting responsibilities of a successful career and family life.

In 2019, 5.5% of GPT's workforce took parental leave as a primary carer and 83.3% of employees expected to return from parental leave did so. 90.9% of employees who returned from parental leave in 2018 remained with GPT 12 months later.

### Gender equality

Supporting gender equality is a key aspect of our Diversity and Inclusion Strategy. In 2019, GPT was recognised by the Workplace Gender Equality Agency (WGEA) as an Employer of Choice for Gender Equality for the third consecutive year. GPT's workplace is currently 56% female and we have increased the representation of women in our top quartile from 42% to 46%. Furthermore, 62% of all employees awarded promotions in 2019 were women.

GPT is committed to pay parity for our male and female employees in equivalent roles, i.e. within the same job function and same job level. GPT's CEO Bob Johnston is a WGEA Pay Equity Ambassador.

We believe the methodology of measuring pay equity is limited if based solely on fixed average remuneration by job level, as it ignores different market values placed on different jobs (for example, revenue generating roles versus back office support roles). This has the effect of creating an impression that at the different job levels, females are paid significantly less than males and vice versa.

For example, at GPT there is a concentration of males within the project director roles of development, whereas marketing and communications roles are predominately occupied by females. Project director roles are paid at a higher rate in the market than marketing and communications management, creating an illusion that there is pay inequity, when in fact it is a matter of uneven gender distribution across job families. More information about our gender distribution and pay equity can be found in the appendix of this report.

GPT also supports gender equality in the property industry. We are a founding and active member of The Property Male Champions of Change (PMCC) and a national sponsor of the 500 Women in Property program, an initiative of the Property Council of Australia that provides an opportunity for women to build strong relationships to develop their careers in the industry. We also continued our involvement in the Property Council's Girls in Property program, which provides female high school students with the chance to explore the career opportunities available in the property industry.



# 56%

representation  
of women in the  
workforce

## LGBTIQ

We are continuing our work towards improved LGBTIQ inclusion as part of our response to the Australian Workplace Equality Index. Launched in January 2017, GPT's LGBTIQ Awareness and Diversity Network (GLAD) aims to foster a culture of inclusion at GPT where LGBTIQ employees can feel safe and comfortable in being themselves at work. GLAD has partnered with Pride in Diversity—the national not-for-profit employer support program for LGBTIQ workplace inclusion. A quarter of GPT's employees are part of GLAD's 'ally' network and in 2019 GLAD provided training to employees through our partnership with Pride in Diversity.

During the Sydney Mardi Gras period, the GLAD network organised two events with keynote speakers talking about people who identify as transgender. Events like these are important to our business as they help build understanding in our workplace, and in how we do business.

# Our people (continued)

## Investing in our people

GPT is passionate about the professional development of our people, and we have robust development, talent and succession planning programs, in addition to our performance management system.

Development plans are worked through with our learning and development team to complement a broad range of opportunities for learning, with checks in place to ensure equitable access to talent programs for all employees, taking into account our diversity aspirations.

Talent reviews for all employees take place annually in consultation with our people managers. The composition of the succession pipeline is reported to the Human Resources & Remuneration Committee of the Board.

Our performance management system provides clarity to our people regarding their responsibilities, not only facilitating transparent, open discussions but also aligning individuals' efforts with GPT strategy and values to drive overall business performance.

All eligible permanent employees had a development plan and performance agreement in place for 2019.

## Highlights of GPT's employee learning and development initiatives

- » Opportunities for senior managers to attend intensive leadership development programs (in 2019 this included at INSEAD, Stanford University Business School, The Australian Institute of Management, the Harvard Club of Australia and AGSM). These programs expose our senior leaders to world class educators, global thought leadership and provide access to a network of business leaders.
- » The Elevate program is GPT's intensive leadership skills development program for emerging leaders. Participants attend seven days of experiential learning across six months which is supplemented by extra-curricular activities to help embed their learning. Twelve employees participated in our 2019 program.

- » Leading GPT is a suite of development programs for current and future people managers. This includes upskilling across a range of capabilities such as coaching skills, management style, difficult conversations and motivating others. All new people managers are required to attend this training and 42 employees attended these programs in 2019.
- » An extensive range of internal and external training options available to all employees for developing soft, commercial and technical skills (with a focus on skills for the future).
- » Awareness training which supports our mental health framework including mandatory sessions for managers in team wellness, and regular resilience workshops for all employees.
- » A range of learning to support GPT's Diversity and Inclusion strategy. Highlights include the implementation of two new programs called Envisage (supporting our mature employees – our 'Masters') and Navigate (educating and supporting managers of our Masters cohort). All employees over the age of 55 have had the opportunity to participate in the Navigate program.
- » Investment in industry mentoring and networking programs for our key talent. In 2019 this included the PCA Women in Property Mentoring program and also the FEI Mentoring program for future CFOs.

On average each member of staff completed 34 hours of training and development in 2019.

## Policies

- » [Diversity and Inclusion Policy](#)
- » [Employee Engagement Policy](#)
- » [Learning & Development Policy](#)

On average

34

hours of training  
was undertaken per  
employee in 2019



## Next Steps



Continue to increase female representation  
in the top quartile and within specific functions  
and occupations



Continue to grow and evolve our Diversity  
and Inclusion strategy

# 15



# Safety

- ✓ Included a new GPT value: 'Safety First - Everyone, Always. We care about people above everything else'
- ✓ Reviewed GPT's Safety Management System
- ✓ Commenced work on GPT's Strategic Safety Roadmap

Safety is a core value for GPT and our first priority. To reflect this, in 2019 we added a new safety value to the Group's core values. The value sets the behavioural expectations for everyday actions: 'Safety First—Everyone, Always,' and highlights the commitment we have to putting the safety of our people, visitors, business partners and supply chain above everything else. Safety is particularly important for us as we execute our growth plans which see the Group undertaking increased levels of development.

GPT maintains safety as a standing item on GPT's Key Risk Dashboard. We also report performance against key performance indicators on a quarterly basis as part of GPT's Safety Scorecard, and safety is a standing agenda item at all Board and Leadership Team meetings. Safety is also communicated across the business in CEO and Heads of Business Unit leader updates.

## Safety Management System review

During 2019, GPT commenced work on several safety initiatives focusing on safety leadership, culture and systems improvements. In June 2019 we conducted a review of GPT's Safety Management System, with specialist reviews of operational safety procedures and consultation workshops. We also began a gap analysis to address the required criteria for the international standard for Safety Management Systems (ISO 45001: 2018).

## Safety leadership in action

An Operations Manager at a major GPT retail shopping centre has initiated 'mini emergency and crisis training sessions' with security and cleaning teams over weekend periods. The purpose of these exercises is to keep basic emergency response skills front of mind, and to ensure a cohesive approach is maintained between first responders. These exercises reinforce the Emergency Preparedness/Crisis training that is conducted at all assets on a bi-annual basis.

## Work Health & Safety Incidents

Employees	2015	2016	2017	2018	2019
Workplace injuries	NR	NR	NR	NR	NR <sup>1</sup>
Lost-time injuries/ diseases rate <sup>2</sup>	0	1.26	1.26	1.11	1.12
Occupational diseases	0	0	0	0	0
Fatalities	0	0	0	0	0
<b>Contractors</b>					
Workplace injuries	NR	NR	NR	NR	NR <sup>1</sup>
Lost-time injuries/ diseases rate <sup>2</sup>	0	0	0	0	2.84
Occupational diseases	0	0	0	0	0
Fatalities	0	0	0	0	0

1. NR - Not reported

2. Lost-time injuries/diseases rate measures the number of lost-time injuries per million hours worked during an accounting period.

## Safety (continued)

### Safety Leadership Conference

In September 2019 GPT hosted a Safety Leadership conference, attended by more than 120 senior managers and operational employees. The conference led to the creation of the new safety value and the establishment of our Safety Working Group. We are now developing a Strategic Safety Roadmap, which will focus on embedding a 'safety first culture', highlighting positive safety leadership and providing additional safety training to advance the skills and competencies of our people.

### Policies

[GPT Health and Safety Policy](#)



### Next Steps

- ➔ The review and rollout of our Safety Management System is scheduled for completion by mid 2020
- ➔ During the second half of 2020 GPT will launch a Safety Leadership on-boarding program



# 16



# human rights and modern slavery



Established a cross functional Modern Slavery Working Group to respond to the requirements of the Modern Slavery Act 2018



Partnered with property industry peers through the Property Council of Australia to develop the Modern Slavery Supplier Assessment Platform

GPT believes it is a responsibility of business to respect human rights. As a long-standing signatory to the United Nations Global Compact (UNGC), GPT submits a “Communication on Progress” each year which describes how we uphold each of the ten UNGC principles, and human rights is one of its four key themes (together with Labour Practices, Environment and Anti-Corruption).

In 2019, our focus has been on the processes we have in place to identify and prevent modern slavery and other human rights issues in the supply chain. Modern slavery covers a range of unethical practices, from forced labour and debt bondage through to human trafficking. The *Modern Slavery Act 2018* (Cth) (the Act) came into force on 1 January 2019 and seeks to drive more transparency in global supply chains, and ensure that goods and services in Australia have not been exposed to modern slavery. Under the Act, Australian companies with revenue greater than \$100 million must publish an annual statement describing their policies, procedures and actions taken to assess and address the risks in modern slavery, both within their own business and of those businesses that form part of their supply chain.

## Cleaning Accountability Framework (CAF)

GPT is a long-term participant of the CAF program and a CAF Advisory Group member, which exists to improve labour standards across the cleaning industry in Australia.

We encourage all cleaning service suppliers to become members of the CAF Advisory Group and undergo supplier auditing for the CAF Contractor Certification, with the CAF 3 Star Standard principles incorporated in all GPT Cleaning Services, Specialist Service Agreements.

## Supplier Code of Conduct

GPT has a set of fundamental expectations of our suppliers regarding their activities in the production and delivery of goods and services supplied to GPT and these are outlined in GPT’s Supplier Code of Conduct. The Supplier Code of Conduct supports GPT’s values, purpose and strategy, as well as internationally recognised standards and appropriate codes of practice. Explicit requirements regarding the protection of human rights are also included. By accepting and abiding by the Code, suppliers affirm that they are committed to working with GPT and are aligned to our values, purpose and strategy. GPT supports suppliers in building their capacity but it is ultimately the supplier’s responsibility to achieve and maintain the minimum standards outlined in the Code, and train employees and contracted parties on their consequential rights and responsibilities.

Should any supplier not meet these requirements, GPT is committed to working with them to address issues identified.

## Modern Slavery Working Group

In 2019, GPT established a cross functional Modern Slavery Working Group including risk, legal, procurement, social sustainability and compliance representation. The Working Group has considered what processes we need to put in place to identify modern slavery in our own operations and our supply chain, and co-ordinate the work required to deliver the Group’s Modern Slavery Statement in line with the requirements of the legislation.



Clarity around supply chain management and identification of risks will better prepare GPT for emergent risks and trends.

# Human rights and modern slavery (continued)

## Modern Slavery Supplier Assessment Platform

We recognise that companies providing goods and services to the property industry will field multiple requests for information about how they are managing the potential risks of modern slavery in their supply chain. Consequently, GPT has been working with a number of other property industry participants, through the Property Council of Australia (PCA), to develop a Modern Slavery Supplier Assessment Platform. The platform is an important tool for GPT in assessing our supply chain for any potential risks of modern slavery. Suppliers have been invited, on a risk-rated basis, to register on the platform and respond to a number of questions about the actions they are taking to assess and address the potential risk of modern slavery in their supply chain and operations. The responses are accessible to the PCA members through the platform's dashboard, enabling each property company to better evaluate and make decisions about where there might be risks within their supply chain. Taking this collaborative approach ensures consistency of approach across the industry, streamlines reporting for businesses involved and allows suppliers to share information with property organisations in an efficient way.

## Support for our suppliers

In 2019, GPT became a Partner of the Supply Chain Sustainability School, a free learning environment that aims to create more sustainable supply chains for the property, construction and infrastructure industries in Australia. The School provides educational tools and resources to help increase knowledge and competency around social, environmental and economic sustainability, including modern slavery. GPT is therefore encouraging its suppliers to access this free resource to help them understand their requirement to respond to questions about modern slavery.

## Policies

- » [Supplier Code of Conduct](#)
- » [GPT Code of Conduct](#)

## Next Steps

- Delivering the internal engagement and education plan regarding modern slavery to GPT employees
- Delivering GPT's first Modern Slavery Statement, to be released publicly before the end of the calendar year
- Continuing to review and improve our policies and processes, and those of our suppliers, to mitigate the risk of modern slavery occurring in our business or supply chain





# Appendix

## Sustainability Reporting and Assurance

GPT's reporting is aligned with the Global Reporting Initiative (GRI) Sustainability Reporting Standards, Greenhouse Gas Protocol and our outlined criteria for capturing and processing data. Detailed information on our bases of preparation is available on the GPT website, in our Environment Data Pack and other disclosures. GPT obtains external assurance over sustainability performance data in accordance with ASAE 3000 and ASAE3410, including:

- » Energy consumption and energy production in base building and tenancies (gigajoules)
- » Scope 1 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e)
- » Scope 2 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e) disclosing both a location-based and market-based result
- » Water consumption (kilolitres)
- » Waste inputs and outcomes: total waste generated (tonnes) and materials recycled (tonnes) using an outcomes-based measurements method reporting recycling by grade (A grade, B grade, C grade)
- » Absenteeism data (days)
- » Community investment (AUD\$)
- » Employees that have volunteered at least one day of time (%)
- » Employees that are involved in The GPT Foundation through volunteering, donations or fundraising activities (%)

## Environmental Management and Regulation

GPT monitors our direct environmental impacts and reports on our buildings' emissions, energy, water and waste on a property by property basis annually. This information is publicly available in our Environment Data Pack, which includes a portfolio-level summary for all indices (electricity, water, fuels, materials, recycling and emissions) since 2005.

GPT operates an Environmental Management System (EMS) that is independently reviewed against ISO14001:2015 standards. Our EMS addresses the material environmental aspects within our operational control and includes systems, plans and processes for maintaining regulatory compliance and enabling continuous improvement and reporting of progress toward our stated objectives.

GPT has policies and procedures in place that are designed to ensure that where operations are subject to any particular and significant environmental regulation under a law of Australia (for example property development and property management), those obligations are identified and appropriately addressed. This includes obtaining and complying with conditions of relevant authority consents and approvals and obtaining necessary licences. GPT is not aware of any significant breaches of any environmental regulations under the laws of the Commonwealth of Australia or of a State or Territory of Australia and has not incurred any significant liabilities under any such environmental legislation.

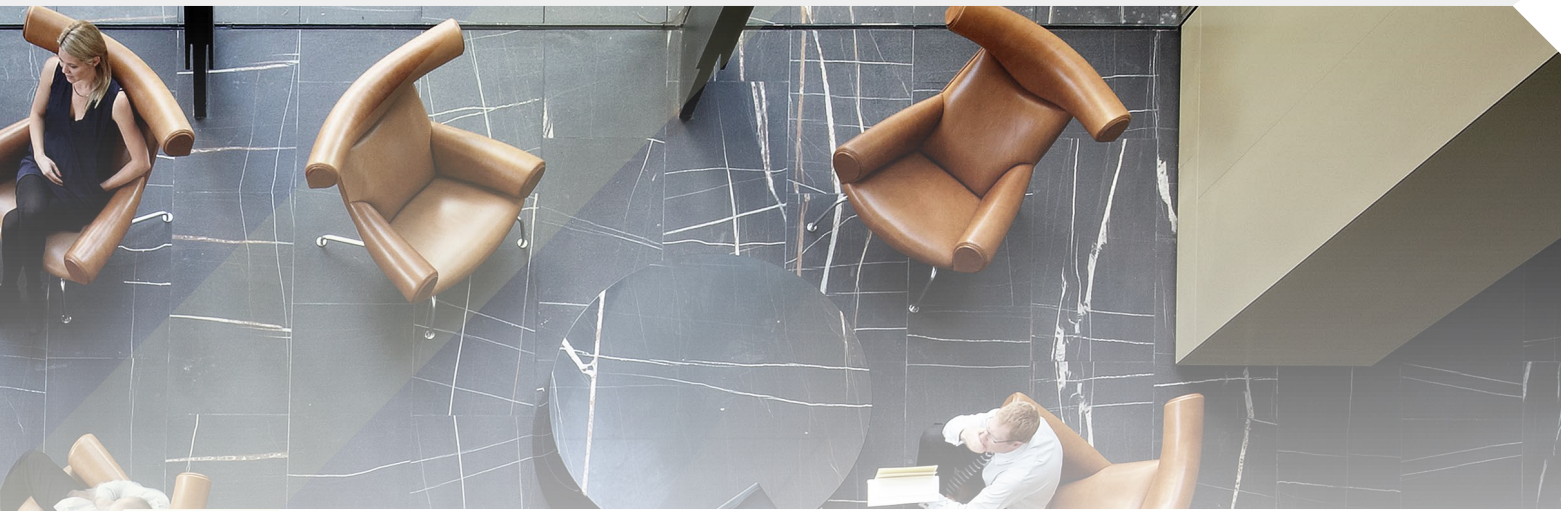
GPT is subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007 ("NGER Act"). The NGER Act requires GPT to report our annual greenhouse gas emissions and energy use. The measurement period for GPT is 1 July to 30 June each year. GPT has implemented systems and processes for the collection and calculation of the data required which enables submission of our report to the Department of Climate Change and Energy Efficiency within the legislative deadline of 31 October each year. GPT has submitted our report to the Department of Climate Change and Energy Efficiency for the period ended 30 June 2019 within the required timeframe. More information about GPT's participation in the NGER program is available at [www.gpt.com.au](http://www.gpt.com.au).

## Defining Emissions

**Scope 1** – emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level. Scope 1 emissions are sometimes referred to as direct emissions. For a property portfolio, scope 1 emissions stem from gas burned for heating and hot water, diesel and gas burnt for electricity generation, including emergency backup electricity and the occasional refrigerant gases that leak from air conditioning systems.

**Scope 2** – emissions released to the atmosphere from the indirect consumption of an energy commodity. For example, 'indirect emissions' come from the use of electricity produced by the burning of coal in another facility.

**Scope 3** – indirect greenhouse gas emissions other than scope 2 emissions that are generated in the wider economy. For GPT's property portfolio, we are principally focussed on reducing scope 3 emissions in areas over which we have strongest management control. We align with the Australian Government's Climate Active boundaries for scope 3 reporting. For our buildings, this includes emissions from electricity and gas transmission losses and emissions from waste and water consumption.



## Recruitment, Retention & Flexibility

	Female	Male	Total
<b>Recruitment of New Employees</b>			
Total	55.56%	44.44%	100.00%
<b>Percentage of Internal Promotions &amp; Transfers</b>			
Senior Executive	1.19%	0.00%	1.19%
Senior Management	2.38%	1.19%	3.57%
Management	17.86%	19.05%	36.90%
Professionals	30.95%	16.67%	47.62%
Operations	2.38%	1.19%	3.57%
Administration	7.14%	0.00%	7.14%
Total	61.90%	38.10%	100.00%
<b>Turnover</b>			
Involuntary Turnover	1.27%	3.18%	4.46%
Voluntary Turnover	7.22%	5.94%	13.16%
Total	8.49%	9.13%	17.62%
<b>% Workforce Utilising Flexible Work Arrangements (including working part-time)</b>			
Senior Executive	0.21%	0.00%	0.21%
Senior Management	1.27%	0.64%	1.91%
Management	7.86%	1.06%	8.92%
Professional	9.34%	2.55%	11.89%
Operations	0.42%	1.70%	2.12%
Administration	4.88%	0.21%	5.10%
Total	23.99%	6.16%	30.15%

## Remuneration

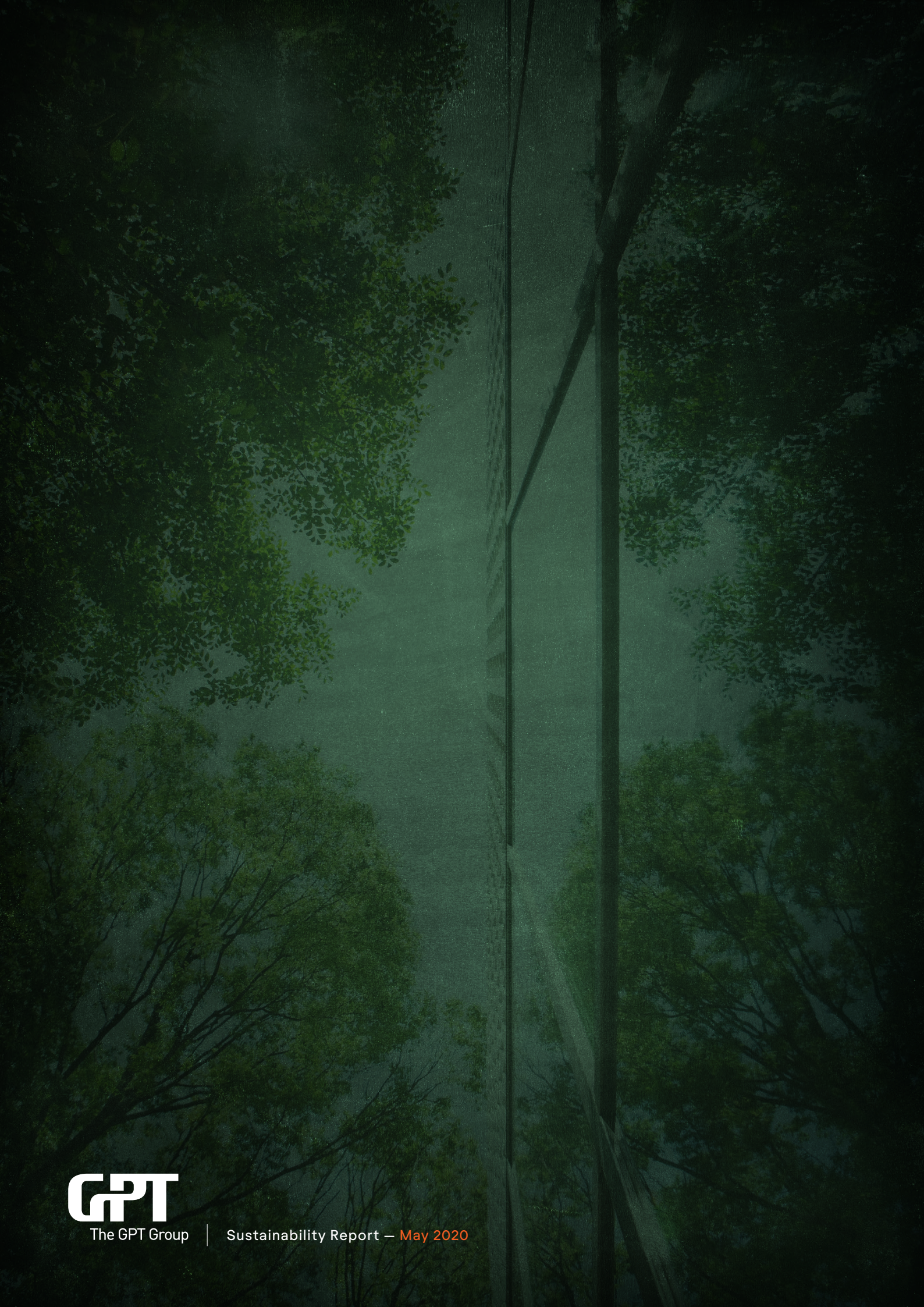
CEO Total Compensation to Average Employee	17.26	1.00
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## Remuneration by Gender

	Female	Male
<b>Gender pay ratio (base salary)</b>		
Senior Executive	1.00	1.19
Senior Management	1.00	1.55
Management	1.00	1.08
Professional	1.00	1.18
Operations	1.00	1.09
Administration	1.00	0.96
Total	1.00	1.36
<b>Gender pay ratio (total compensation)</b>		
Senior Executive	1.00	1.27
Senior Management	1.00	1.95
Management	1.00	1.08
Professional	1.00	1.22
Operations	1.00	1.09
Administration	1.00	0.96
Total	1.00	1.59

## Inclusion & Diversity

	Female	Male	Total
<b>Management Level</b>			
Senior Executive	0.42%	1.27%	1.70%
Senior Management	2.76%	4.25%	7.01%
Management	15.50%	13.16%	28.66%
Professional	25.48%	16.99%	42.46%
Operations	2.34%	5.73%	8.07%
Administration	9.98%	2.12%	12.10%
Total	56.48%	43.52%	100.00%
<b>Age Range</b>			
Under 30	8.49%	4.25%	12.74%
30 to 50	43.52%	29.51%	73.04%
Over 50	4.46%	9.77%	14.23%
Total	56.48%	43.52%	100.00%
<b>Employment Type</b>			
Fixed Term Full Time	3.40%	1.49%	4.88%
Fixed Term Part Time	0.85%	0.21%	1.06%
Permanent Full Time	44.16%	41.61%	85.77%
Permanent Part Time	8.07%	0.21%	8.28%
Total	56.48%	43.52%	100.00%
<b>Location</b>			
New South Wales	38.22%	29.94%	68.15%
Northern Territory	1.27%	0.42%	1.70%
Queensland	1.70%	2.12%	3.82%
Victoria	15.29%	11.04%	26.33%
Total	56.48%	43.52%	100.00%



The GPT Group

Sustainability Report — May 2020